

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Proposed Policies and Programs Governing post-2003 Low-Income Assistance Programs.	Rulemaking 04-01-006 (Filed January 8, 2004)
In the Matter of the Application of PACIFICORP for Approval of 2005 Low-Income Assistance Program Budgets.	Application 04-06-038 (File June 30, 2004)
In the Matter of the Application of Southwest Gas Corporation (U 905 G) for Approval of Program Year 2005 Low-Income Assistance Program Budgets.	Application 04-07-002 (Filed June 30, 2004)
IN THE MATTER of the Application SIERRA PACIFIC POWER COMPANY (U 903), for an Order Approving its 2005 California Alternate Rates for Energy (CARE) and Low Income Efficiency (LIEE) Plans and Budgets.	Application 04-07-014 (Filed July 1, 2004)
In the Matter of the Application of Avista Corporation for Approval of Program Year 2005 Low-Income Assistance Program Budgets.	Application 04-07-015 (Filed July 1, 2004)
In the Matter of the Application of the SOUTHERN CALIFORNIA WATER COMPANY (U 133 W) Regarding Low Income Assistance Programs for its Bear Valley Electric Service Customers for Program Year 2005.	Application 04-07-020 (Filed July 8, 2004)

Application of Alpine Natural Gas Operating Company No. 1 LLC in Compliance with Decision 03-12-016 (PY 2004 Low Income Energy Efficiency (“LIEE”) and California Alternate Rates For Energy (“CARE”) program Plans).

Application 04-07-027
(Filed July 2, 2004)

In the Matter of the Application of West Coast Gas Company (U-910-G) For Approval of Program Year 2005 Low-Income Assistance Program Budgets.

Application 04-07-050
(Filed July 29, 2004)

**ASSIGNED COMMISSIONER’S RULING APPROVING
PROPOSED AMENDMENTS TO THE WORKPLAN, BUDGET
AND SCHEDULE FOR PHASE 5 OF THE LOW INCOME ENERGY
EFFICIENCY STANDARDIZATION PROJECT**

This ruling approves, with modification, the amended workplan for Phase 5 of the Low Income Energy Efficiency Standardization Project, as proposed by Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company (Joint Utilities). The workplan appears as Attachment 1 to this ruling.

In Decision (D.) 03-11-020, the Commission stated that it would consider new Low-Income Energy Efficiency Program measures during the program year (PY) 2006 planning cycle. Part of the process of assessing whether new measures should be added to the program involves examination of those measures by the

Standardization Team (Team).¹ The Team solicits suggestions for new measures, assesses their cost effectiveness, and, if it recommends that such measures be added to the program, presents the measures to the Commission for adoption. The Team also works on the Low-Income Energy Efficiency Program and Policy Manual (P&P Manual) and Weatherization Installation Standards Manual (WIS Manual) changes.

The then-Assigned Commissioner Carl Wood approved the initial Phase 5 workplan in a ruling dated October 22, 2004. On January 18, 2005, the Team filed a Phase 5 report. Several parties objected to the report on the basis that the Team did not hold workshops, or otherwise seek full public participation in the drafting process. In a ruling dated March 25, 2005, I directed the Team to withdraw its report, and re-file it after having opened its process to public input, and fully considered any proposed changes. The Team submitted the attached amended workplan and budget on April 25, 2005. The Assigned Administrative Law Judge requested more detail to support the rather generalized budget request, and received that information on May 19, 2005.

In addition to undertaking the public process and additional review envisioned in my March 25th ruling, the Team now proposes to prepare revisions to the P&P and WIS manuals in response to changes to the Title 24 building standards adopted by the California Energy Commission on November 5, 2003. It is unclear why the Team did not propose pursuing these changes at an earlier

¹ The Standardization Project Team consists of the Joint Utilities and their technical consultants. The Commission's Energy Division assists in coordinating the effort. Per Commission direction, the Team obtains input from the public before submitting final recommendations to the Commission.

time, but it is important to do so prior to the effective date of October 1, 2005. The Team also seeks retroactive approval of expenditures that were not covered by the previously-approved consultant budget.

I have reviewed the attached workplan (which includes a schedule and budget) in consultation with the Energy Division, and find that the forward-looking tasks, schedule and budget outlined are reasonable, with the following modifications. The Team focused on my instructions to provide estimates of the low-income customer impacts of proposed changes and suggests that adhering to a literal reading of this instruction could add considerably to the cost of the project. The Team predicts additional costs totaling “at least” \$475,077 with the most detailed level of customer impact analysis and \$332,677 with more modest analysis, and seeks my guidance as to which path to follow. I will approve the more modest budget and direct the Team to follow a path of reason. It makes no sense to spend considerable sums to offer the false comfort of detailed numbers supporting minor changes. For the smaller changes, rough estimates of impact, supported by a reasonable explanation, will suffice. Larger changes, with more significant potential impacts, are worthy of closer scrutiny. The Team, working with interested public participants, should be able to develop a logical and efficient approach to this analysis. The Team can seek another budget augmentation if conditions change.

Finally, I do not approve, in this ruling, any amounts included in the \$332,677 figure that represent past expenditures. The team has not clearly identified these amounts. Nor has it offered the rationale for retroactive recovery.

With these modifications, the workplan, budget and schedule for Phase 5, as presented in Attachment 1, are adopted.

IT IS SO RULED.

Dated June 7, 2005, at San Francisco, California.

/s/ DIAN M. GRUENEICH

Dian M. Grueneich
Assigned Commissioner

CERTIFICATE OF SERVICE

I certify that I have by electronic mail to those who provided electronic mail addresses, and by U.S. mail to those who did not provide e-mail addresses, this day served a true copy of the original attached Assigned Commissioner's Ruling Approving Proposed Amendments to the Workplan, Budget and Schedule for Phase 5 of the Low Income Energy Efficiency Standardization Project on all parties of record in this proceeding or their attorneys of record.

Dated June 7, 2005, at San Francisco, California.

/s/ **FANNIE SID**

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

[Attachment 1 to Grueneich Ruling](#)